

County of Los Angeles CHIEF EXECUTIVE OFFICE

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December 7, 2010

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

STATE LEGISLATIVE AGENDA FOR THE FIRST YEAR OF THE 2011-12 SESSION (ALL SUPERVISORIAL DISTRICTS AFFECTED) (3 VOTES)

<u>SUBJECT</u>

The following recommendations represent the updated policies and proposals for the first year of the 2011-12 Legislative Session, which were developed in coordination with your Board Offices, County departments, the Legislative Strategist and the Sacramento advocates. This package, together with other positions previously adopted by your Board, will guide the County's advocacy efforts in Sacramento.

THEREFORE, IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Approve the attached additions, deletions, and changes to existing Board-adopted policies and positions for inclusion in the 2011-12 State Legislative Agenda.
- 2. Instruct the Chief Executive Officer (CEO), affected departments, the Legislative Strategist, and the Sacramento advocates to work with the Los Angeles County delegation, other counties and local governments, and interest groups to pursue these policies, positions, and priorities in the State Legislature and with the Administration and its agencies.

"To Enrich Lives Through Effective And Caring Service"

3. Direct the Sacramento advocates to pursue legislation to expand medical coverage to provide for initial medical and forensic examinations of children who are removed from their home because of suspected physical or sexual abuse or neglect.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The recommended changes seek to minimize the adverse impact of State actions on the County, achieve greater flexibility over the use of State funds, secure State assistance whenever possible, especially from non-State General Fund sources, and promote the growth of the State and local economy.

FISCAL OUTLOOK

As part of the FY 2010-11 State Budget process, the Governor and the Legislature enacted an estimated \$18.2 billion in solutions to address the State Budget deficit through June 30, 2011. The final budget agreement included a combination of significant expenditure reductions, assumptions of increased Federal assistance, and other solutions such as fund shifts and revised revenue projections. As it has been the case over the last three years, most of the major expenditure reductions continue to fall most heavily on County-administered programs in the areas of health, mental health, social services and public safety.

Over the past three years, State Budget reductions have resulted in a County loss of \$515.2 million. In addition, in FY 2009-10, the suspension of the Protection of Local Government Revenue Act (Proposition 1A of 2004) authorized the borrowing of \$1.935 billion from local governments, which resulted in an estimated County impact of \$360.9 million.

On November 10, 2010, the Legislative Analyst's Office (LAO) released its fiscal outlook which projects a State Budget shortfall of \$25.4 billion through the end of FY 2011-12. The LAO projects shortfalls of approximately \$20.0 billion annually through FY 2015-16, peaking at \$22.4 billion in FY 2013-14 when the State would be required to repay local governments an estimated \$2.0 billion borrowed in FY 2009-10 through the suspension of Proposition 1A of 2004. The LAO report indicates that its budget projections may be understated because they do not assume cost of living adjustments or inflationary increases and it does not account for funding requirements to address State liabilities in pension and retiree health benefits for State employees, including teachers and university employees.

The LAO indicates that without immediate action to address the structural budget deficit in the long-term, the State may not be able to move beyond the recent process of going from one budget crisis to the next, which will make it very difficult for the State to address fundamental public-sector goals such as rebuilding aging infrastructure, addressing massive retirement liabilities, maintaining service levels of high-priority programs, and improving the State's tax system.

In addition, on November 12, 2010, Governor Schwarzenegger announced that he will call the Legislature into a special emergency session and introduce legislation to make spending reductions and other changes to address the \$6.1 billion budget deficit in the current fiscal year. The special session is scheduled to begin on December 6, 2010, when the new Legislature is sworn in and approximately one month before Governor-elect Brown takes office. Pursuant to Proposition 58 of 2004, the California Balanced Budget Act, upon the Governor's declaration of a fiscal emergency, the Legislature will have 45 days to enact legislation to address the State's fiscal emergency, or it will be prohibited from acting on any other bills or adjourning in recess until such legislation is passed.

Addressing the State Budget crisis in FY 2011-12 will be further complicated by several factors. In November 2010, California voters approved two initiatives which-limit-or-restrict budget solutions used by the Administration and the Legislature in recent years. The initiatives would prohibit the State from borrowing redevelopment and transportation revenues to address a budget shortfall and would require a two-thirds vote of the Legislature or voters to increase certain fees. In addition, in 2009 the Governor and the Legislature enacted \$12.5 billion in temporary tax increases which are scheduled to expire on June 30, 2011. Absent a two-thirds vote by the Legislature or approval by the voters to extend these taxes, the expiration of these tax revenues will require further program reductions to balance the State Budget.

As a result of the bleak economic outlook and the State's obligation to meet General Fund spending requirements such as funding for education (Proposition 98), debt service costs for voter-approved bonds, and new restrictions on increasing fees, the County will once again be faced with the possibility of major program curtailments in FY 2011-12 and in future fiscal years.

COUNTY LEGISLATIVE PRIORITIES

The impact of recent State Budget actions has extended throughout the full spectrum of the County's responsibility for safety net and protective services. The three-year loss of \$515.2 million has greatly affected the County's ability to maintain vital services for its residents, and the potential of additional State Budget cutbacks

would be experienced most deeply in the delivery of health care, social services, and public safety. Because of the State's continuing fiscal problems and the reductions in State financial support already imposed on the County, our advocacy efforts will be concentrated on the priorities listed below in 2011.

State Budget. As indicated above, given the State's budget problems and the uncertain economic environment, the County will continue to focus its advocacy efforts on the restoration and preservation of State funding, working primarily through the budget process. In addition, the County will continue to support adequate funding for programs it operates on behalf of the State, and oppose additional program reductions unaccompanied by a commensurate diminution of responsibility and any attempt to shift costs to the County.

Health Care Reform Implementation and Financing. In 2010, the Chief Executive Officer, the Legislative Strategist, the Sacramento advocates and the Department of Health Services worked in collaboration with other stakeholders, the Administration, and the Legislature, to secure the renewal of the 1115 Medicaid Waiver through 2015. The new waiver, which was approved on November 2, 2010, will help maximize the drawdown of Federal funds, expand health care coverage for uninsured persons, provide investment funding to assist public hospitals develop delivery systems in preparation for State implementation of Federal Health Care Reform in 2014, and provide funding for the County's Safety Net Care Pool. In 2011, the County will continue to work with the Administration, the Legislature and stakeholders to finalize implementation of the Medicaid Waiver and develop provisions to implement Federal Health Care Reform which maintain and/or expand the County's funding as a safety net provider to continue health care, hospital inpatient care, outpatient care, specialty care, emergency and trauma care services, and medical education programs through the existing infrastructure of hospitals, multi-service ambulatory care centers, and public/private partnerships.

Public Safety Funding. In 2009, the Governor and Legislature enacted legislation to shift funding for local public safety programs from the State General Fund to the Vehicle License Fee (VLF). The legislation temporarily increased the VLF by 0.65 percent and directed 0.15 percent of the increase to the Local Safety and Protection Account. VLF revenues are used to fund programs administered by the Sheriff, District Attorney and the Probation Department including: the Citizens' Options for Public Safety Program, booking fees, California Multi-jurisdictional Methamphetamine Enforcement Team and High Technology Theft Apprehension and Prosecution programs, the Juvenile Justice Crime Prevention Act and juvenile probation camps. The VLF increase and funding for these critical local public safety programs is scheduled to expire on June 30, 2011 and the State has not identified a funding source to continue these

essential services. The County will work with the California State Association of Counties, the Urban Counties Caucus, and others to secure ongoing funding for local public safety programs via a full appropriation from the State General Fund, an extension of the VLF increase, or other viable funding mechanisms to continue these programs.

Preservation of Local Control. In 2010, the Legislature considered or enacted measures that attempted to circumvent redevelopment laws, provide exemptions to redevelopment and land use requirements, establish State oversight of local emergency medical services, reduce Federal bankruptcy protections for counties, among others. Of particular concern are measures which would extend or expand the fundamental purpose redevelopment projects through statute to divert property tax increments for activities other than those directly used to cure blight and negatively impact the County and other taxing entities. Therefore, the County will continue to oppose any efforts that would reduce local control.

RECOMMENDED CHANGES TO THE COUNTY'S STATE LEGISLATIVE AGENDA

The changes in Attachment I represent requests from County departments and commissions to add or modify policy statements consistent with their operational goals and plans. New policy statements represent emerging programs and issues for which we are seeking your Board's concurrence to guide future advocacy efforts including the development of State legislation to implement Federal Health Care Reform. Some policies are no longer applicable, and therefore, have been removed. The recommended changes include modifications to policy statements for various items including: facilitating compliance with environmental regulations, maintaining County-administration and oversight of emergency medical services, increasing compliance in the filing of statement of economic interest forms, and strengthening disaster preparedness operations.

All other previously adopted State Legislative Agenda policies and positions remain in effect; and as such, advocacy will continue on these matters. A revised comprehensive list of all State Legislative Agenda policy statements will be published subsequent to consideration of the changes included in this letter.

PROPOSALS FOR COUNTY-SPONSORSHIP IN 2011

As reported in the November 2, 2010 Sacramento Update, consistent with existing Board-approved policies and positions, the County will seek sponsorship of the following legislative proposals in 2011: 1) special vacancy election reimbursement; 2) enhanced homeowner notification program; 3) qualifications for the position of public

defender; 4) open juvenile court dependency hearings; and 5) change orders on county road contracts. Attachment II provides detailed information on the County-sponsored legislation. However, it should be noted that the State's fiscal condition will likely affect the Legislature's receptivity to any County-sponsored legislation with potential costs to the State.

In addition to the above-mentioned legislative proposals, Board approval is requested to pursue County-sponsored legislation to provide reimbursement for initial medical and forensic examinations for children who are removed from their home due to suspected physical or sexual abuse or neglect.

The Department of Health Services (DHS) operates six medical hub clinics which provide health care screening for children referred by the Department of Children and Family Services (DCFS). Services include initial medical exams, forensic evaluations, and follow-up medical services. The initial medical exam includes health and developmental history, physical examinations, screenings for vision, dental, and mental health, immunizations, laboratory tests, and health education. A forensic evaluation is a medical examination to determine if the child is a victim of physical or sexual abuse or neglect. According to DHS, the provision of quality medical examinations and coordination with DCFS is essential to ensuring child health and safety.

The Department of Health Services indicates that the County is only reimbursed for services provided to children with fee-for-service Medi-Cal, and not for services provided to children with other types of health coverage, such as Medi-Cal managed care or private health plans, because medical hub services are considered to be out of network and require prior authorization. DHS estimates that approximately 9,400 children seen in the medical hub clinics are not covered under fee-for service Medi-Cal. The costs of medical examinations for these children are incurred by the County at an estimated annual cost of \$6.0 million. Therefore, legislation is needed to secure reimbursement for initial and forensic medical examinations for children not covered under fee-for-service Medi-Cal.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed policies in the State Legislative Agenda are consistent with the County's Strategic Plan Goal of Operational Effectiveness and Fiscal Sustainability. Operational Effectiveness is achieved by providing timely advocacy on proposals that could significantly impact the County and support the delivery of efficient public services. Fiscal Sustainability results from efforts by the CEO, Sacramento advocates and County departments to maintain funding for critical County services and to oppose further program reductions or new unfunded mandates on County government.

CONCLUSION

The recommended additions, deletions and changes to existing Board-adopted policies are submitted for your Board's consideration for inclusion in the 2011-12 State Legislative Agenda. The policies and proposals contained in this package are in addition to, and are not intended to be exclusive of, other positions your Board may adopt. As in the past, the State Legislative Agenda will be updated to reflect subsequent Board actions.

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:RA MR:VE:IGEA:sb

Attachments

c: Executive Office, Board of Supervisors County Counsel Auditor-Controller

RECOMMENDED STATE LEGISLATIVE POLICIES ADDRESSING ISSUES OF MAJOR COUNTY INTEREST

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General State Legislative Principles

6. Oppose any abridgement or elimination of the Board of Supervisors' powers and duties unless the change promotes a higher priority of the Board. (Requested by the Chief Executive Office)

Justification: The lack of a clear local control policy has prevented the County from advocating on specific legislation that impacts the Board's local control powers. For example, the County was unable to advocate against AB 155 of 2009, the municipal bankruptcy bill, which reduced the Board's local control authority, or advocate for AB 2317 of 2010, the nuisance abatement bill, which protected the Board's local control powers.

1. Children and Families

1.1 Child Welfare Services

18. Support proposals to open Juvenile Court Dependency hearings to the public. (Requested by the Department of Children and Family Services)

Justification: The Department of Children and Family Services (DCFS) indicates that the closed court system in California provides very limited information about the workings of the child welfare system. DCFS indicates that opening court hearings to the public will provide greater transparency and result in a better understanding of child protective services, encourage necessary reforms and strengthen community partnerships essential to improving the safety of children from abuse and neglect. To protect children when testifying in sensitive matters, the court and/or attorney would have the option to request that the hearing be closed if it serves in the child's best interest. Further protections would consist of court orders which forbid the disclosure of confidential information, such as a child or parent's name, address and date of birth.

2. Environment, Natural Resources and Recreation

2.2 Beaches

9. Support legislation to extend concession lease terms on State-owned facilities, including those which are under local control, when the concessionaire intends to make an investment in the property or increase revenues to the State or local operator. (Requested by the Department of Beaches and Harbors)

Justification: The Department of Beaches and Harbors indicates that this proposal would maintain and/or increase revenue for the County and the State if successful concessionaires are allowed extended leases (which are required by lenders when lending funds) so they may take out loans and invest in the property.

10. Support proposals to secure funding for grant programs and financial incentives for green initiatives in marinas. (Requested by the Department of Beaches and Harbors)

Justification: The Department of Beaches and Harbors indicates that funding and financial incentives for green initiatives to improve the physical infrastructure and to coordinate services and activities to protect the environment, conserve resources and attract boaters would support the Department's efforts to save costs, conserve water resources and reduce the carbon footprint specific to marina operations.

2.3 Environmental Protection and Open Space

8. Support legislation that would exempt routine maintenance and operation of existing publicly owned facilities and temporary and emergency measures from Regional Board permits, and Streambed Alteration Agreements, State Fish and Game requirements or other agencies' permit processes as well as any compensatory mitigation requirements of State agencies. (Requested by the Department of Public Works)

Justification: The Department of Public Works (DPW) indicates that the department undertakes maintenance activities at its facilities, including channels, debris basins, reservoirs, road ditches, and flood protection facilities, which are subject to the regulatory authority of State agencies such as the Department of Fish and Game and the Regional Water Quality Control Board. It is often necessary to apply for multiple permits for the same activities which significantly slows down the recovery process and increases costs. For example, with respect to the recent Southern California fires, DPW was able to obtain permits for the installation of debris protection barriers but construction of the barriers had to wait until storm season already began; and the permits did not cover the barriers' maintenance and removal. Separate permit processes are often required, which significantly slows down the recovery process.

9. Support legislation that streamlines the process and reduces the cost for acquiring permits from State agencies for construction and maintenance projects and emergency actions taken by public agencies. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that acquiring environmental permits from the State Department of Fish and Game, the Regional Water Quality Control Board, and the California Coastal Commission is a lengthy and highly complicated process, and can take six months or more even for simple projects. This proposal would allow the County to support legislation that would streamline this process and reduce the amount of time and lack of transparency in the current process. The primary intent of some of the projects is pollution reduction and the project delays due to permitting result in continued environmental impacts. This proposal could save the department millions of dollars each year through avoided delays to projects and funding made available by meeting grant schedules.

10. Support legislation that would enable the County to comply with various environmental regulations, such as by minimizing the generation of pollutants at their source. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that the County and Flood Control District (District) are responsible for compliance with environmental laws, including Total Maximum Daily Load (TMDL) stormwater regulations even though the pollution is generated by other entities and is discharged into the District's infrastructure system. This policy would support legislation that would compel producers of products that are a source of pollution to remove or replace pollution-causing materials from those products. This would increase the County's ability to comply with TMDL regulations that carry a \$10,000 a day fine for violations.

2.5 Watershed Management and Flood Control

13. Support legislation that replaces outdated fecal bacteria indicator standards with public health related standards for pathogen levels in regulated receiving waters; applies the updated public health standards to monitoring activities; and provides funding for the monitoring. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that current bacteria TMDL standards are set by the State Water Quality Control Board using counts of fecal bacteria indicator, based on methods developed in the 1950's for application in sanitary sewage treatment. Many recent studies have questioned the correlation of these standards to actual public health risk regarding stormwater. Several modern methods have been developed that have the potential to reduce erroneous and costly remedial actions by permittees while decreasing the public health risk. In anticipation of these methods potentially being further refined through additional study and formally adopted by the State Department of Public Health, this policy is necessary to allow the County to support enabling legislation.

14. Support proposals that prevent predatory flood insurance practices. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that this policy is intended to allow the County to support proposals to reduce predatory insurance practices, such as insurance companies refusing to provide County residents with refunds for flood insurance they are entitled to receive. Flood insurance can be as high as \$2,400 per year. DPW indicates that multiple properties have been incorrectly identified as being within the Federal Emergency Management Agency (FEMA) Special Flood Hazard Area, requiring mandatory flood insurance. However, some insurance companies refuse to provide the residents refunds after the errors in the FEMA maps are identified and corrected.

2.6 Water Supply

12. Support funding to implement technology to improve the operation and maintenance of water supply systems, including but not limited to, automatic meter reading systems and leak detection systems. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that automatic meter reading systems automatically communicate usage information to water utilities, thereby reducing costs of site visit meter readings and leak detection systems automatically notify water utilities of the presence of leaks in the delivery system, thereby reducing repair costs and conserving water. Additional funding will help implement projects like these and others that help conserve water.

3. General Government

3.2 Land Use Planning

13. Support legislation that provides urban counties with the same authority that cities have under current law to exempt infill projects from the California Environmental Quality Act. (Requested by the Department of Regional Planning)

Justification: The Department of Regional Planning indicates that a recent court decision (Tomlinson, et al. v. County of Alameda) concluded that a county cannot exempt infill projects from California Environmental Quality Act (CEQA) because of the requirement that a proposed infill project must "occur within the city limits" (CEQA Guidelines Section 15332). The Los Angeles County Housing Element identifies many sites in the County unincorporated areas with potential for infill development. Many of these sites are comparable to sites in adjacent cities, where projects could meet the requirements for the categorical exemption for infill projects. In addition, the court decision is inconsistent with the applicability of similar CEQA streamlining provisions for Transit Priority Projects and mixed-use and residential projects, per SB 375 of 2009, which can be applied in the unincorporated areas. Therefore, counties should have the same incentives as cities to provide CEQA exemptions for infill development projects.

3.8 Local Agency Formation Commission (LAFCO)

- 1. Support legislation that ensures the revenue neutrality of local reorganizations provided that it:
 - a. Requires the appropriate transfer of Regional Housing Needs Allocation (RHNA) for annexations and incorporations; requires the submission of RHNA transfers as a part of the application for consideration of an annexation proposal by the LAFCO; and provides clarification for calculating the appropriate RHNA transfer. (Requested by the Department of Regional Planning)

Justification: The Department of Regional Planning indicates that the current RHNA process in annexations and incorporations needs clarification because existing law indicates that a county's RHNA <u>shall</u> be transferred when the allocation has been adopted prior to an incorporation, but that a county's RHNA <u>may</u> be transferred when the allocation has been adopted prior to an annexation. This has been a source of confusion between the County and annexing cities in its recent negotiations for RHNA transfers because of the lack of clarity.

Regional Planning is also concerned that if the RHNA transfers are not accepted by a city and approved by the Sothern California Association of Governments prior to an annexation, cities will refuse to accept their fair share of the transfer once an annexation is completed and the County will have no recourse to implement this obligation of the annexing city. In addition, the State law should continue to emphasize that the transfer shall be based on the same methodology used to allocate the RHNA, but provide more guidance on the application of that methodology to determine transfers for areas that are annexed and incorporated.

3.9 Historic Preservation

3. Support legislation that would maintain the survey monument preservation fund to pay for the necessary expenses incurred or authorized by the county surveyor to properly perform and maintain monument surveys of major historical land division lines. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that the existing survey monument preservation fund, which is funded in connection with the recording of a grant deed conveying real property, is used by county surveyors to properly maintain survey monuments and to perform monument preservation surveys. Existing law allows the survey monument fee to be up to \$10, but the preservation fund is deteriorating because county recorders' staff is unable to accurately determine when the \$10 fee should be charged or not.

Recent studies by the City of Los Angeles and Orange County have shown that the existing survey monument fee is collected only 25 to 30 percent of the time because of the lack of clarity in existing law regarding when the fee is charged. The deterioration of the survey monumentation fund will have a negative fiscal impact on Public Works projects and local surveys for County constituents through increased survey costs. This proposal would allow the County to support legislation to preserve this fund by clarifying existing law.

3.14 Public Records

4. Support legislation to allow any filing officer to accept electronic filing of the Statement of Economic Interest (Form 700) in lieu of a paper form. (Requested by the Executive Office of the Board)

Justification: The Executive Office of the Board recommends that this item be added because the convenience of electronic filing for filers will enhance the compliance with the economic disclosure portions of the Political Reform Act. Additionally, the expanded use of electronically filed Form 700s will allow the Executive Office to realize savings in terms of staff time, materials and postage. Further, it is anticipated that legislation will be introduced in 2011 to open electronic filing to all filing officers of Form 700s in the State, as Los Angeles County and Orange County have successfully completed two years of a three-year pilot program of electronic filing of Form 700.

5. Support legislation to increase compliance in the filing of a Statement of Economic Interest (Form 700). (Requested by the Executive Office of the Board)

Justification: The Executive Office of the Board believes that an increase in the fine amount for failing to file Form 700 is appropriate and would assist the Executive Office in gaining compliance with the act by the more than 3,000 local public officials who file their forms with the Office. A greater incentive for filers to comply promptly would save a considerable amount of staff time and materials in administering this portion of the Political Reform Act. The existing fine amount has not changed since 1974.

4. Health

4.2 Emergency and Trauma Care

8. Oppose legislation to centralize Emergency Medical Services (EMS) policymaking authority with the State or that would allow the State to impose fiscal penalties on counties if local policies are determined to be inconsistent with those issued by the State EMS Authority. (Requested by the Department of Health Services)

Justification: The Department of Health Services indicates that emergency medical training requirements and procedures vary from county to county. Los Angeles County operates an EMS system whose policies are tailored to meet unique geographical and other variances. Adherence to statewide centralized policies could yield inefficient and less effective practices.

4.6 Public Health

- 30. Support and/or sponsor legislation that promotes:
 - d. Reduced consumption of sugar-sweetened beverages, including soda, sports drinks, and other sugar-sweetened beverages, and reduces youth access to these products. (Requested by the Department of Public Health)

Justification: The Department of Public Health indicates that research has documented that over-consumption of sugar-sweetened beverages is a major contributor to the obesity epidemic among children, adolescents, and adults. These drinks generally provide no nutritional value and many sports drinks also include similarly large amounts of added sugar. Policies that promote reduced consumption of sugar-sweetened beverages, including reducing access to these beverages, have been identified by the Centers for Disease Control and Prevention and the Institute of Medicine as high priority strategies for reversing the obesity epidemic.

4.7 Alcohol and Drug

10. Support legislation that gives counties local authority in establishing Driving Under the Influence (DUI) programs including programs to address the specific cultural and linguistic needs in populations who experience increased DUI violations. (Requested by the Department of Public Health)

Justification: The Department of Public Health indicates that current law restricts the County's ability to approve new DUI programs that provide services to meet the unique language and cultural needs of emerging communities. This policy would provide the County with greater discretion and flexibility to develop DUI programs specific to the populations that experience problems with drug and alcohol impaired drivers.

11. Support legislation that establishes a single State professional licensure process for alcohol and drug counselors administered by a single State professional behavioral health regulatory body. (Requested by the Department of Public Health)

Justification: The Department of Public Health indicates that a single certification process would simplify and provide uniformity for credentialing behavioral health professionals. The Department indicates that this is increasingly important under provisions of the Federal Affordable Care Act and Federal Mental Health Parity Act which will establish standards for health care services including behavioral health care.

4.11 Implementation of Health Care Reform

1. Support legislation that would implement provisions of Federal health care reform by increasing access to care while maintaining and/or expanding the County's funding as a safety net provider to continue health care, emergency and trauma care services, and medical education programs through the existing infrastructure of hospitals, Multi-Service Ambulatory Care Centers, health centers, and public-private partnerships. (Requested by the Department of Health Services)

Justification: The Department of Health Services (DHS) indicates that as Federal health care reform is progressively implemented and more individuals gain health care coverage, it is important to acknowledge that there will continue to be newly insured individuals who will continue to utilize County hospitals and clinics as their preferred providers. Additionally, it is imperative to recognize that DHS provides other services in addition to health care for the uninsured, e.g. emergency and trauma care services, burn centers, medical education programs, etc. Furthermore, the maintenance of these programs and facilities will be essential in order to address capacity issues associated with the large numbers of newly insured.

2. Oppose legislation that would result in the reduction of the County's funding as a safety net provider of health care to the uninsured, emergency and trauma care services and medical education programs in order to implement Federal health care reform. (Requested by the Department of Health Services)

Justification: The Department of Health Services indicates that as Federal health care reform is implemented a significant number of individuals will remain without health insurance, and will continue to seek services at County facilities. Additionally, it is imperative to recognize that DHS provides other services in addition to health care for the uninsured, e.g. emergency and trauma care services, burn treatment centers, and medical education programs, etc. The maintenance of these programs and facilities will be essential in order to address health-care capacity issues associated with the large numbers of newly insured.

3. Support proposals that establish funding for workforce development and infrastructure for behavioral health care and substance abuse providers under Federal health care reform. (Requested by the Department of Mental Health)

Justification: The Department of Mental Health (DMH) indicates that this language addresses the Department's efforts related to Federal health care reform. While the benefits for clients are defined and services are covered, mental health workforce development and the development of an infrastructure for the delivery of a greatly increased number of services are costly to the County. This policy would support proposals to provide funding for these items.

5. Housing and Community Development

1. Support proposals that provide incentives to local governments and/or developers to increase and protect affordable housing and flexibility for counties to promote a diversity of affordable housing types through local policies. (Requested by the Department of Regional Planning)

Justification: The Department of Regional Planning indicates that in the 2009 court decision, Palmer/Sixth Street Properties v. City of Los Angeles, the court held that the Costa-Hawkins Rental Housing Act, which indicates that all residential

property owners may, except in specified situations, "establish the initial rental rate for a dwelling or unit," preempts some local inclusionary housing requirements.

This decision has affected many jurisdictions with existing local inclusionary housing ordinances throughout the State. Although the County does not have an inclusionary program at this time, the court decision eliminates the potential policy options the County has in considering an inclusionary housing program for the unincorporated areas, in particular the provision of affordable housing set-asides for rental housing. The submission of an inclusionary housing program feasibility study to the Board of Supervisors has been delayed because of this court decision and this proposed policy would provide the County with flexibility.

6. Justice and Public Safety

6.1 General

7. Support legislation that maintains the authority of the courts to contract with court assistance programs to provide monitoring and administrative support of or increases funding and continues the current model of traffic violator schools monitoring as described in the California Vehicle Code. (Requested by the Community Development Commission)

Justification: The Community Development Commission (CDC) indicates that AB 2499, Chapter 599, Statutes of 2010, included provisions to transfer traffic violator school monitoring duties to the Department of Motor Vehicles (DMV) effective January 1, 2013 and to phase in a State-run monitoring program. This recommended change would allow the County to oppose proposals which would terminate court assistance program contracts with the courts to administer and monitor traffic violator schools before January 2013.

25. Support proposals to develop, recommend and implement regulations for licensing, monitoring and code enforcement of traffic violator schools to maintain routine traffic violator school monitoring, fraud investigation and law enforcement services in the County. (Requested by the Community Development Commission)

Justification: The Community Development Commission indicates that this added item would allow the County to support proposals to ensure that stakeholders in the traffic school industry, including court assistance programs are involved when formulating regulations for the licensing, monitoring and code enforcement of traffic violator schools to maintain routine monitoring, fraud investigation and law enforcement services in the County.

26. Support proposals to provide funding for information technology initiatives that assist criminal justice agencies to integrate, upgrade and maintain justice information systems. (Requested by the Alternate Public Defender)

Justification: The Alternate Public Defender indicates that general policy such as this is needed in anticipation of providing support for forthcoming legislative effort(s) and initiatives coordinated through Countywide Criminal Justice Coordination Committee to find technological solutions for issues that confront the different partners in the criminal justice system. Increasingly the focus by criminal justice departments is on the development of justice system technology that allows for the electronic sharing of information in a paperless form. Criminal justice departments face the same challenges of finding funding and keeping up to date with emerging technologies and the maintenance and integration of systems related to adults that become part of criminal justice system.

6.7 Juvenile Justice

18. Support legislation to clarify a chief probation officer's authority to consent to medical examinations and non-emergency medical care for youth detained in county juvenile facilities. (Requested by the Probation Department)

Justification: The Probation Department indicates that State regulations require medical exams for youth detained in county juvenile facilities; however, State law is ambiguous as to the extent of the Probation Department's authority to consent to medical exams when the parent/guardian is unavailable or does not respond to the probation officer's attempts to obtain medical consent. This results in delays in detecting and treating infectious diseases and other health conditions and places youth in juvenile detention facilities at risk.

6.8 Probation

16. Support legislation to authorize the sharing of information among community corrections multi-disciplinary team members and that requires the team members to maintain privacy and confidentiality requirements and penalties for disclosing information or documents. (Requested by the Probation Department)

Justification: According to the Probation Department, State law authorizes members of juvenile justice, child abuse and mental health multi-disciplinary teams to sharing of information for the provision of developing and delivering services. However, a similar statute does not exist for adult corrections multi-disciplinary teams. This legislation would allow the County to establish community corrections programs such Adult Day Report Centers that use a multi-disciplinary team model and would help ensure successful outcomes that reduce recidivism rates of paroles.

8. Mental Health

18. Support legislation to restore past funding reductions to Fee-for-Service providers to ensure a continuum of services options for Medi-Cal recipients

needed to maintain the community mental health system. (Requested by the Department of Mental Health)

Justification: The Department of Mental Health indicates that this policy is no longer applicable because the Department does not contract with fee-for-service providers.

25. Support proposals that increase the availability of beds at Institutions for Mental Disease and State hospital psychiatric facilities to reduce the impact of overcrowding on emergency and inpatient resources for mentally ill individuals who no longer need acute care and for individuals with criminal histories. (Requested by the Department of Mental Health)

Justification: The Department of Mental Health indicates that psychiatric facilities are over-burdened due to patients that are too ill to be discharged and who require long-term care. This policy is needed to support proposals that increase the number of intermediate and long term in-patient psychiatric beds.

10. Social Services

- 10.1 Reforming the Safety Net and Promoting Self-Sufficiency
 - 19. Support proposals to secure State funding for Supplemental Security Income advocacy. (Requested by the Department of Public Social Services)

Justification: The Department of Public Social Services (DPSS) recommends that this item be added because it would enable the County to support legislation to secure funding for Supplemental Security Income (SSI) advocacy activities, such as transitioning recipients from the County's General Relief Program to the Federally-funded SSI Program. This request is consistent with the February 9, 2010 Board approved General Relief Restructuring Plan which directed the Chief Executive Office, DPSS and related County departments/offices to develop State legislative proposals to assist indigent adults and/or mitigate County costs and work with stakeholders to develop these proposals.

20. Support legislation which would restrict the imposition of any transaction fees or surcharges for the use of Electronic Benefit Transfer (EBT) cards within California. (Requested by the Chief Executive Office)

Justification: The Chief Executive Office recommends that this item be added because restricting the imposition of transaction fees and surcharges would encourage CalWORKs recipients to use their Electronic Benefit Transfer (EBT) cards within California and reduce financial burden on indigent CalWORKs recipients. Federal law prohibits the imposition of any transaction fees or surcharges for Supplemental Nutrition Assistance Program (formally Food Stamps) EBT cards.

11. Transportation

22. Oppose legislation that erodes the County Road Commissioner's current authority to carry out work. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that counties depend on the road commissioner's authority, currently provided under existing law, to perform work on the local highway system. Such authority provides options that allow counties to carry out work on county roads and highways effectively by choosing the best suitable materials and selecting the optimal method available to fulfill the department's mission and meet the diverse needs of County residents.

This authority, under the direction of the road commissioner, is relied upon to determine the best approach for large construction road projects as well as projects that are too small to economically prepare plans, specifications, advertisement, and inspection. Such discretion is especially essential in the department's ability to effectively respond to the needs of the public when circumstances require immediate response in emergencies due to floods, landslides, and fires. This proposed policy would protect the County's authority to utilize the best approach to carry out work on county roads and highways in a timely, efficient, and cost effective manner.

12. Utilities and Infrastructure

- 12.2 Telephone Services/Telecommunications and Video Services (Requested by the Chief Executive Office)
 - 7. Support proposals that evaluate the health and safety impact of wireless communications emissions. (Requested by the Chief Executive Office)

Justification: The Chief Executive Office recommends that this policy be added because in June 2009, the Board of Supervisors adopted a motion instructing County representatives to actively seek and support State legislation that would give local governments greater flexibility to regulate the placement of cellular and other wireless facilities within the road or right-of-way, given the unique aesthetic, health and safety issues that these facilities raise. This change would provide support to potential legislation that examines health and safety issues related to wireless communications and its potential effects on County of Los Angeles residents.

8. Support proposals that promote access for disabled persons to telecommunications services, including voice, video, data and the Internet. (Requested by the Chief Executive Office)

Justification: The Chief Executive Office recommends that this policy be added because in September 2010, The House and Senate passed the 21st Century Communications and Video Accessibility Act to make it easier for the disabled to have access to telecommunications and video, including Internet, smart phones, television programming and other communications technologies. County support of equal access to technology will significantly increase accessibility for individuals with disabilities to indispensable telecommunications and video technology tools.

9. Support proposals that would enable local governments to negotiate compensation and other public benefits for those that use the rights-of-way, such as telecommunications and video service providers. (Requested by the Chief Executive Office)

Justification: The Chief Executive Office recommends that this policy be added because new technologies are rapidly evolving and many propose to occupy the rights-of-way without providing appropriate compensation and other public benefits to local jurisdictions. This will ensure the County receives just compensation and other public benefits, in light of its oversight of the rights-of-way.

12.3 Construction Contracts

2. Support legislation that authorizes counties to use the design-build contract method for projects to construct buildings and directly related improvements. (Requested by the Chief Executive Office)

Justification: The Chief Executive Office recommends that this item be added because on July 5, 2005, the Board voted to support SB 287 (Cox) and AB 1511 (Evans) if they were amended to include Los Angeles County as an eligible county to use the design-build contracting for construction. The County was subsequently amended into both bills and we moved to support positions on both. Both bills were chaptered.

3. Support legislation to preserve and improve the County's ability to solicit and manage construction contracts. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that although existing law sets no maximum percentage which may be retained from contract progress payments, recent legislation (SB 802 and AB 2216) would have set a maximum of five percent of the contract progress payment that could be retained by local agencies. The Department indicates that the County and most other public agencies have long withheld 10 percent until at least 50 percent of the work was completed at which time the amount was reduced to five percent if sufficient progress toward completion had been made.

The money retained from progress payments referred to as "retention" is held until the contract is completed. This serves as an incentive to complete the contract in a timely manner. The reduced amount proposed by prior legislation, and the inability to collect a larger amount earlier during the contract, both constrict the contractual leverage the public agency has for prompt completion. This proposal would allow the County to maintain current flexibility regarding construction contracts.

4. Support legislation to preserve and improve the County's ability to solicit and manage job order contracts. (Requested by the Department of Public Works)

Justification: The Department of Public Works indicates that this new policy is necessary for the County to retain and extend appropriate control over the solicitation and management of job order contracts (JOC). JOC is a unique type of contracting because scope is undefined at the time of bid and individual projects are completed using a work order process. Recently, job order contracts have been solicited for the repair and replacement of street improvements and for the trimming and removal of trees. JOC has proven to be a convenient and effective project delivery system but the current method of procurement is in need of improvements to enhance the viability of this contracting method.

It is common practice in the current low bid environment for contractors to submit bids that are so low that successful and timely execution of work orders is sometimes difficult to achieve, and work order administrative costs can be expensive. Legislation to provide additional procurement vehicles would improve the County's ability to manage job order contracts. This new policy would provide long-term cost savings due to less staff time spent reviewing work order proposals and managing work orders and avoidance of potential costs and impacts to the public resulting from delays in completion of construction.



County of Los Angeles CHIEF EXECUTIVE OFFICE

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November 2, 2010

Board of Supervisors GLORIA MOLINA First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH

To:

Supervisor Gloria Molina, Chair Supervisor Mark Ridley-Thomas Supervisor Zev Yaroslavsky Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

SACRAMENTO UPDATE - COUNTY-SPONSORED LEGISLATION

The purpose of this memorandum is to report on County-sponsored legislation, which the Sacramento advocates will pursue in the first year of the 2011-12 Legislative Session.

There are five County proposals which are consistent with prior sponsorship of similar legislation, Board actions and approved policy. Two proposals are initiatives continued from the 2009-10 Legislative Session, one is as a result of a Board motion, and two new proposals requested by departments and recommended by this office. As other legislative priorities emerge based on Board motions, departmental requests, or events in Sacramento, we will advise you and pursue as necessary.

County-Sponsored Legislation Continued from 2010

Special Vacancy Election Reimbursement (Board Action - May 26, 2009)

We will pursue County-sponsored legislation to secure ongoing and timely reimbursement of costs associated with conducting special vacancy elections for State legislative and Congressional seats.

Elections to fill State legislative and Congressional vacancies result in considerable General Fund expenditures to the County. These unscheduled elections cannot be anticipated to factor costs in budget planning and result in fiscal constraints for the County. The lack of timely and adequate reimbursement for election costs forces the

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County to divert funds from other programs to cover the costs for those special elections.

Over the past ten years, the County has conducted elections to fill ten vacancies in State legislative or Congressional offices at a cost of more than \$12.2 million. State reimbursement for these costs totaled \$4.3 million resulting in a cost to the County of \$7.9 million. As a result, on May 26, 2009, your Board adopted a motion directing the Sacramento advocates to pursue legislation to secure full reimbursement of costs associated with conducting special vacancy elections.

In 2010, the County sponsored SB 994 (Price) and AB 496 (Davis), which would have reimbursed counties for costs incurred to conduct special vacancy elections. However, both measures failed passage because of concerns about increased costs to the State.

Enhanced Homeowner Notification Program (Board Action – December 15, 2009)

We will pursue County-sponsored legislation to enhance the County's existing Homeowner Notification Program to authorize the County to: 1) notify homeowners and renters subject to notices of default or sale; 2) collect a fee for notification upon the recording of a notice of default or sale; and 3) use a portion of the recording fee to provide information, counseling, or assistance to a person who receives the notice. On December 15, 2009, your Board adopted recommended changes to the County's State Legislative Agenda, which included a directive to pursue this proposal.

In 2010, the County sponsored SB 878 (Liu), which would have authorized the enhancement of the existing Homeowner Notification Program; however, the measure was vetoed by the Governor on July 15, 2010. Therefore, the County will pursue legislation in the 2011-12 Legislative Session to enhance the County's existing Homeowner Notification Program.

Board Motions to Pursue County-Sponsored Legislation

Qualifications for Public Defender (Board Action – August 10, 2010)

We will pursue County-sponsored legislation to amend Government Code Section 27701 which restricts the position of Public Defender to a person who has been a practicing attorney for at least the year preceding the date of his election or appointment, pursuant to an August 10, 2010 Board-approved motion.

The proposed legislation will allow counties to consider persons such as judges, commissioners, magistrates, referees, elected officials or recently retired attorneys who

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possess litigation experience to be considered for the position of Public Defender but have not practiced law within the last year preceding the date of election or appointment.

New Recommendations for County-Sponsored Legislation

Open Juvenile Court Dependency Hearings (Requested by the Department of Children and Family Services)

We will pursue County-sponsored legislation to establish a three-year pilot project to allow members of the public to be admitted to juvenile dependency court hearings. This pilot would allow hearings to be closed if the court determines it is in the best interest of the child who is before the court as a witness or party, and would also require that a report be submitted at the conclusion of the pilot project to the Judicial Council and the California Department of Social Services evaluating the impact of open court hearings.

According to the Department of Children and Family Services (DCFS), the closed court system in California provides very limited information about the workings of the child welfare system. DCFS indicates that opening court hearings to the public offers an opportunity to provide a better understanding of child protection services, system enhancements and improve community partnerships essential to the mission of child protection. Furthermore, an open court system would present an opportunity for stakeholders to engage and support families during their court appearances, and would help to hold the courts and the legal and child welfare systems accountable to a higher standard of practice. To protect children when testifying in sensitive matters, the court and/or attorneys would have the option to request that the hearing be closed if it serves in the child's best interest. Further protections would consist of court orders which forbid the disclosure of confidential information, such as a child or parent's name, address and date of birth.

This proposed legislation is consistent with County-sponsored SB 1391 of 2000 and AB 2627 of 2004, which attempted to open juvenile dependency court hearings. However, both bills failed passage primarily due to concerns that open court hearings would conflict with Federal confidentiality requirements and would place the State at risk of losing Federal funding. In 2006, provisions of Title IV-B and Title IV-E of the Social Security Act were amended to clarify that states could open dependency court hearings without the risk of losing Federal funds. Currently, there are 33 states that have some form of open dependency court proceedings.

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Change Orders on County Road Contracts (Requested by the Department of Public Works)

We will pursue County-sponsored legislation to increase the upper limit amount a board of supervisors may delegate to a county road commissioner or other county officer to order changes or additions in the work being performed under county road contracts from \$150,000 to \$210,000. This proposal is consistent with Board policy to streamline and improve administrative operations and processes (e.g., contracting, procurement, and capital projects/space management) to increase effectiveness, enhance customer service, and support responsive County operations. This proposal is also consistent with County-sponsorship of four legislative proposals included in the 2010 Senate Local Government Omnibus Bill, SB 894 (Chapter 669, Statutes of 2010) that increased the maximum amount a board of supervisors can delegate change orders from \$150,000 to \$210,000 for county flood, waterworks, bridge and building projects.

Existing law allows a board of supervisors to delegate change order authority to the county road commissioner or a registered civil engineer under the direction of the county director of transportation for county highways but limits the amount of changes or additions in work that may be approved by a county engineer or county officer to \$150,000. The proposed legislation would raise this limit to \$210,000. This increase is based on a Consumer Price Index adjustment of the current \$150,000 limit from 1997, the date of the last increase, to present. By adjusting the maximum limit to \$210,000, the proposed legislation will adjust the maximum authority to compensate for 13 years of erosion due to inflation.

The Department of Public Works (DPW) indicates that each year the Board of Supervisors approves the award of numerous county road contracts, each of which require associated changes or additions in work to be submitted to the Board for approval. This process is time and resource consuming and, if delayed, may result in additional contract costs. DPW indicates that the programmatic impact of the proposed legislation is fewer changes or additions in the work being submitted to the Board of Supervisors for approval, potential long-term cost savings due to reduced staff time for processing Board letters, and avoidance of potential contract costs and impacts to the public resulting from delays in completion of construction.

We will continue to keep you advised.

WTF:RA MR:RM:IGEA:lm

c: All Department Heads Legislative Strategist